Tel 646.992.2400 Fax 646.992.2470 www.brookfieldrenewable.com

March 5, 2020

Senator Norm Needleman, Senate Chair Representative David Arconti, House Chair Energy and Technology Committee Legislative Office Building, Room 3900 Hartford, CT 06106

Public Testimony of Brookfield Renewable

Chair Needleman, Chair Arconti and members of the Energy and Technology Committee:

Brookfield Renewable appreciates the opportunity to provide comments on Senate Bill 10, An Act Concerning Certain Recommendations Regarding Climate Change; House Bill 5349, An Act Concerning the Ownership of Certain Solar Energy Projects By Electric Distribution Companies; and House Bill 5351, An Act Concerning Certain Programs and to Incentivize and Implement Electric Energy Storage Resources.

Brookfield Renewable's investment in the region includes over 1,300MW of carbon-free resources in ISO-NE, as well as1,000MW that can be imported to New England from New York and Quebec. Our renewable hydro, wind and pumped storage resources are available to help meet the energy needs and environmental objectives of Connecticut and the region. Brookfield Renewable is also affiliated with TerraForm Power, Inc., which owns and operates approximately 217MW of wind and 135MW of distributed solar resources in New England.

Senate Bill 10, An Act Concerning Certain Recommendations Regarding Climate Change

Brookfield Renewable supports the provision of Senate Bill 10 mandating a zero-carbon electricity grid by 2040, which would play a significant role in meeting Connecticut's 2050 economy-wide carbon reduction targets. Importantly, establishing an aggressive 2040 mandate for the electricity sector now would allow adequate time for implementing regulatory frameworks and wholesale market design that facilitates an optimal, cost-effective clean energy resource mix over the next two decades. Brookfield Renewable also supports the 2040

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provision, as currently drafted, because it is not overly prescriptive. This allows adequate flexibility for planning and ensures Connecticut can leverage both new and existing renewable energy resources, including existing small-scale hydropower and does not preempt the completion of the Department of Energy and Environmental Protection's Integrated Resources Plan (IRP), which includes an examination of potential pathways and strategies to achieve 100% clean energy by 2040.

Separately, should the Committee seek to expand the role of energy storage, including authorizing procurement of 300,000 MWh of energy storage as proposed in Section 3, Brookfield Renewable urges the inclusion of existing energy storage such as pumped hydropower. Including existing pumped hydropower as an eligible resource as part of newly authorized procurements would more adequately ensure the retention and optimization of flexibility and duration characteristics and capabilities necessary to support a 100% clean energy grid. Overlooking existing energy storage resources such as pumped hydropower could result in the loss of critical reliability functions, thereby requiring costly replacement prior to securing any incremental functionality.

House Bill 5349, An Act Concerning the Ownership of Certain Solar Energy Projects By Electric Distribution Companies

Brookfield Renewable opposes House Bill 5349, which would authorize an electric distribution company (EDC) to own one or more solar energy facilities located on company property, up to an aggregate of 50 MW, and rate base the costs associated with these facilities. This legislation represents a significant departure from Connecticut's long-standing commitment to competitive electricity markets and resource procurement and would needlessly shift risks away from private investment and onto captive utility ratepayers. For example, new renewables are being developed all over the region in reaction to evolving public policies and falling technology costs and existing renewable resource owners including Brookfield Renewable are committing tens of millions of dollars annually in order to maintain and optimize existing renewable generation. In each of these circumstances private entities and shareholders are bearing the risk of the deployed capital. We urge the Committee to acknowledge the merits of competition, including the reduction in wholesale electricity prices Connecticut ratepayers have realized since the State

Brookfield

Brookfield Renewable 200 Liberty Street, 14th Floor New York, NY 10281 Tel 646.992.2400 Fax 646.992.2470 www.brookfieldrenewable.com

shifted away from its vertically integrated utility industry in favor of competitive energy markets,

and to prevent backsliding – even on a limited basis – toward a paradigm that leaves ratepayers

on the hook and limits competition that would otherwise help achieve Connecticut's policy

mandates at lowest costs.

House Bill 5351, An Act Concerning Certain Programs and to Incentivize and Implement

Electric Energy Storage Resources

Brookfield Renewable recommends the completion of the ongoing IRP process before legislating

new energy storage incentives or procurement targets. The IRP process, which is anticipated to

conclude later this year, is expected to include analysis and recommendations that can better

inform directives such as those considered in House Bill 5351.

However, should the Committee seek to advance House Bill 5351 as proposed prior to

completion of the IRP, we recommend the inclusion of existing pumped hydropower as an

eligible technology for the same reasons discussed above in relation to Section 3 of Senate Bill

10.

Thank you again for the opportunity to comment on Senate Bill 10, House Bill 5349 and House

Bill 5351. Brookfield Renewable looks forward to continuing to assist Connecticut in meeting its

near-term and long-term clean energy and climate goals.

Please contact me directly if you would like to discuss any of these issues further.

Sincerely,

Steve Zuretti

Director, Government Affairs

Brookfield Renewable

steven.zuretti@brookfieldrenewable.com

310-849-3210